

HIRE.DEVELOP.PERFORM.

# WHITEPAPER

## Reducing 0 to 90

## Day Turnover:

## 6 Steps

**DID YOU KNOW?**

If your organization has 1,000 agents with 50% attrition, your contact center is burning over \$200,000 in turnover related costs?

## **Proven Methods to Reduce Attrition Exist**

Attrition costs your organization money. A lot of money. The Saratoga Institute puts attrition costs for hourly employees at 50% of their annual compensation. Our own research finds that the cost of turnover ranges from \$5,000 to \$15,000 depending on the contact center organization. Many Contact Center Operating Executives support a variable cost per turnover of \$4,500. If your organization has 1,000 agents with 50% attrition, your center is burning over \$200,000 per month in turnover related costs. Unfortunately, quantifying turnover is like Swiss cheese, as the costs escape through hundreds of holes. If turnover were a single line item on the income statement, every CFO in the country would be figuring out how to reduce attrition.

Fortunately, proven methods to reducing attrition do exist. They require discipline in the staffing process, patience to achieve results, and constant innovation. But, your organization can save millions of dollars by reducing your 0 to 90 day attrition by 10 to 40 percent. While attrition can occur later in job tenure, we've found that many organizations struggle with 0 to 90 day attrition. Getting people to stay past 90 days is related to getting them to stay the first 90 days. Tenure is critical to your organization since job performance increases exponentially as the new employee reaches six, nine, and twelve month anniversaries.

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**Your organization can save millions of dollars by reducing your 0 to 90 day attrition by 10 to 40 percent.**  
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## DID YOU KNOW?

The new 1stSolve assessment, which measures problem solving, reasoning, and decision making, demonstrated a strong relationship with technical performance ratings and overall performance ratings.

## Why Do New Hires Leave?

Our research and experience has shown that new hires leave during the first 90 days for one or more of the following reasons:

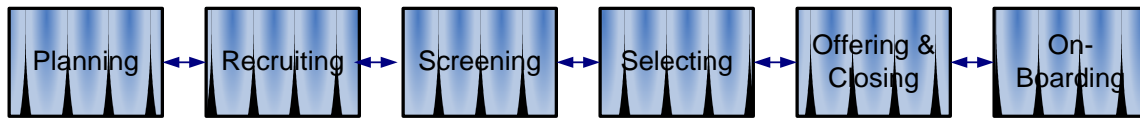
- The job was not clearly explained to them or was oversold
- They have poor prior work habits which leads to poor future work habits
- They do not have the right work ability both at the cognitive and interpersonal level for the job
- They cannot manage the interpersonal requirements for the job
- The new hires' interests and attitudes do not match the required job preferences – that is a poor job fit
- Poor team leaders that cannot coach and do not work well with the team

In order to see how these six factors influence attrition during 0 to 90 days, we'll map these factors against a 90-day timeline using three 30-day groups but first we'll review the overall staffing process.

## 6 Step Staffing Process

Hiring and staffing consists of six functional processes that drive towards the goal of finding, hiring, and keeping new employees. Each function sets the stage for the next one. Planning identifies who to recruit. Recruiting puts a call to action message in front of those potential new hires. Screening filters the candidate pool, while selection tests them to see if they “can” and “will” do the

job. The offer process attempts to gain the “sale” and the on boarding process welcomes them into the organization.



In most organizations, staffing falls under human resources. Today’s human resource team is usually understaffed and burdened with administrative functions that take time away from the staffing process. Compounding this lack of resources is that human resource professionals do not have a decision-based approach to help it manage hiring processes. For example, the science of finance helps the accounting function make better decisions. The science of marketing helps drive better sales function results. But human resource groups do not have a science-based approach that helps it drive better results by understanding how hiring links to performance improvements on the production floor. That gap is painfully felt in the staffing process. To achieve great staffing results, the process needs to be managed and executed almost like the call center operations flow where production science takes ownership. Setting metrics and then managing relentlessly towards those metrics each day will help drive down your attrition.

These six staffing phases each influence the six steps to reducing 0 to 90 day turnover. In order to see how these six factors influence attrition during 0 to 90 days, we’ll map these factors against a 90-day timeline using three 30-day groups.

## DID YOU KNOW?

Research shows that you cannot focus on two new tasks at the same time. New hires need to have an innate ability to multi-task and strong computer navigation abilities.

## The First 30 Days

Almost all new hires are in training during this period.

- If the job was oversold and reality hits, voluntary attrition is likely to occur during the first or second week.
- Most call centers have complex call types and a lot of new information to learn, retain, and apply during training. If your new hires cannot learn, retain, and apply this information, you will either fire them or they will voluntarily leave.
- Multi-tasking and computer navigation ability are critical during this phase as well. New hires that are focused on how to just manage the computer and the software applications will not be focused on the training material. Research shows that you cannot focus on two new tasks at the same time. The new hire needs to have an innate ability to multi-task and strong computer navigation abilities.
- Poor work attitudes can start to show up this early as well, especially when training gets more complex and the pressure increases.

## 31 to 60 Days

Depending on training time or approach, new hires may start in production during this period.

- Again, if the job was oversold, the reality of the production floor may cause them to change their minds and voluntarily leave. A prime example is being told they have flexible schedules and finding out those flexible schedules mean anytime as long as it is third shift.
- Now that they are taking live calls, the heavy interpersonal nature of the job becomes real. It is therefore important to assess for their ability to manage back to back interpersonal conversations but also the willingness to engage in those conversations call after call after call
- As discussed above, job preferences – meaning attitudes, interests, and motivations start to impact tenure. For example, if a new hire has a poor attitude towards following procedure, the new hire may end up with poor schedule adherence which impacts the operational performance during that shift.

- Cognitive ability is critical in the second thirty days, just like the first thirty days. Actually it is the single best predictor of successful job performance. Not only will the new hires be finishing up training and need to apply their new information, but they really start to multi-task on the phone.
- Poor work history behavior can jump out at any point. If the new hire was just looking for four to eight weeks of pay, then the end of training may create a turnover event.

## 61 to 90 Days

New hires are definitely in production at this point and most likely, any – allowance in performance requirements is over and they are expected to perform.

- Job attitudes and cognitive ability are still crucial at this point.
- Team leader ability really starts to impact performance and tenure. Coaching, appreciation, etc. by the team leader will help the new hire get through this critical 30-day period.

A realistic job simulation can help you measure a job candidate's ability to learn and apply new information while completing mock call scenarios.

In summary, many in the contact center industry accept turnover as just the cost of doing business. Research, experience, and successful implementation of hiring practices show that attrition can be reduced. Reducing attrition takes time, focus, and investment. Hopefully this article identified that no “silver bullet” exists. Only a systematic, data driven approach can reduce attrition. Financially, the effort is well worth it.

## About FurstPerson

### What we do:

- Develop and operate web-based pre-hire, employee selection assessments that help contact centre organisations hire and develop the right employees.

### Our experience:

- Thirteen years of research and implementation experience working with all major call types including customer care, sales, collections, win back, and technical support.
- Implemented our solutions in over 250 labor markets in the United States, Canada, UK, the Philippines, and Latin America.
- Significant industry experience in telecommunications, insurance, outsourcing, financial services, retail, travel, and business services industries.
- Home agent hiring since 2002.
- Average client is a multi-site, multi-call type organization with complex hiring workflow models and job profiles.
- Developed award-winning assessments featuring interactive simulations.

### Differentiators:

- Predictive assessments with demonstrated bottom line results ranging from:
  - Improved new hire performance (up to 40%)
  - Reduced turnover (up to 70%)
  - ROI – \$1 invested yields \$10 to \$20 in return
  - Lower recruiting expense
- Hiring solutions based on empirical research supported by ongoing job and validation analysis.
- Customized solutions leveraging our extensive contact centre hiring expertise and industry leading assessment solutions.

To learn more about FurstPerson, please visit our website at [www.furstperson.com](http://www.furstperson.com) or email us at [info@furstperson.com](mailto:info@furstperson.com) or call us at 888-626-3412.

